

Environmental Values in Conservation: Ethics, Economics and Pragmatism

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Outline

- **Framing the Problem:**
The drive to value biodiversity and ecosystems
- **Basic Mainstream Economic Theory:**
Efficient and optimal resource use
- **Creating Environmental Values**
The valuation solution and its problems
- **'New' Conservation: Old Political Ideology**
Neoliberalism and technocracy
- **Environment, People and Economic Growth**
The Role of Corporations & New environmental pragmatism

FRAMING THE PROBLEM

The Drive for Economic Valuation of Ecosystems as Services

- Ecologists collaborating with mainstream economists as a pragmatic / opportunistic way forward (e.g., Beijer Institute) from late 1980s
- USA ecosystems services pushed by natural scientists such as Paul Ehrlich and Gretchen Daily
- The monetary value of the World's ecosystems (Costanza et al., 1997) and all remaining wild Nature (Balmford et al., 2002). Both lead authors natural scientists.
- The National Research Council (NRC) in the USA. *Valuing Ecosystems Services: Toward Better Environmental Decision-Making*. (Heal et al., 2005)



The International Potsdam Initiative

2007 the G8 and five other industrialising nations proposed a global cost-benefit analysis of biodiversity loss called the “*Potsdam Initiative--Biological Diversity 2010*”

Under the subtitle “*The economic significance of the global loss of biological diversity*”, the parties state:

“In a global study we will initiate the process of analysing the global economic benefit of biological diversity, the costs of the loss of biodiversity and the failure to take protective measures versus the costs of effective conservation.”

As the German Environment Minister stated, the week before release of the Potsdam Initiative:

“The ‘biodiversity treasure trove’ provides the global economy with an invaluable and extensive potential for innovative products and processes that is still widely untapped”



The Economics of Ecosystems & Biodiversity (TEEB)
Mainstreaming the Economics of Nature. 2010 synthesis report.

Banking and Finance, Growth and Development

Provide corporations and financiers with business opportunities

“Hardwiring biodiversity and ecosystems services into finance”

(UNEP Finance Initiative, 2010)

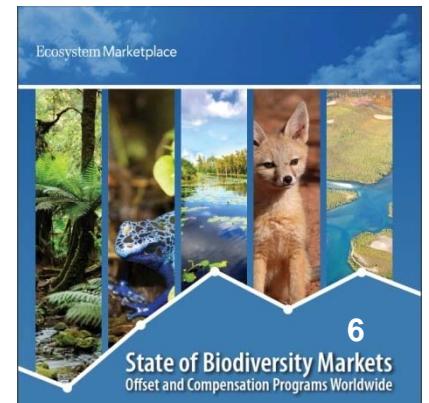
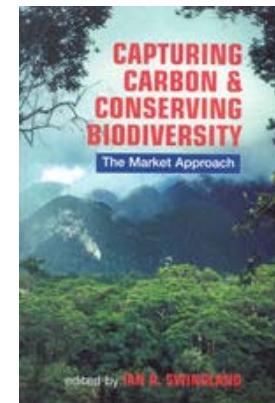
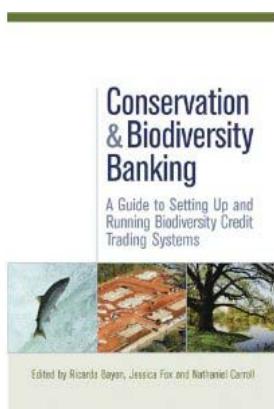
Extend carbon trading and expand financial instruments to create biodiversity offset programs. The market for wetland credits is estimated at US\$1.1-1.8 billion
(TEEB 2010 p.22-24)

Show politicians how to get economic growth from ecosystems

“investment in **natural capital** can create and safeguard **jobs** and underpin **economic development**, as well as secure untapped **economic opportunities** from natural processes and genetic resources.”

“pro-biodiversity investment the logical choice”

(TEEB 2010 p.10)



The Supposed Problem



Biodiversity lacks a market price

“Failure to include some measure of the **value of ecosystem services** in benefit-cost calculations will implicitly assign them a value of **zero**” (Heal et al., 2005 p.5)



Private companies lack the right incentives

“Companies do not clear-cut forests out of **wanton destructiveness or stupidity**. On the whole, they do so because market signals ... make it **a logical and profitable thing to do**. (TEEB 2010 p.9)

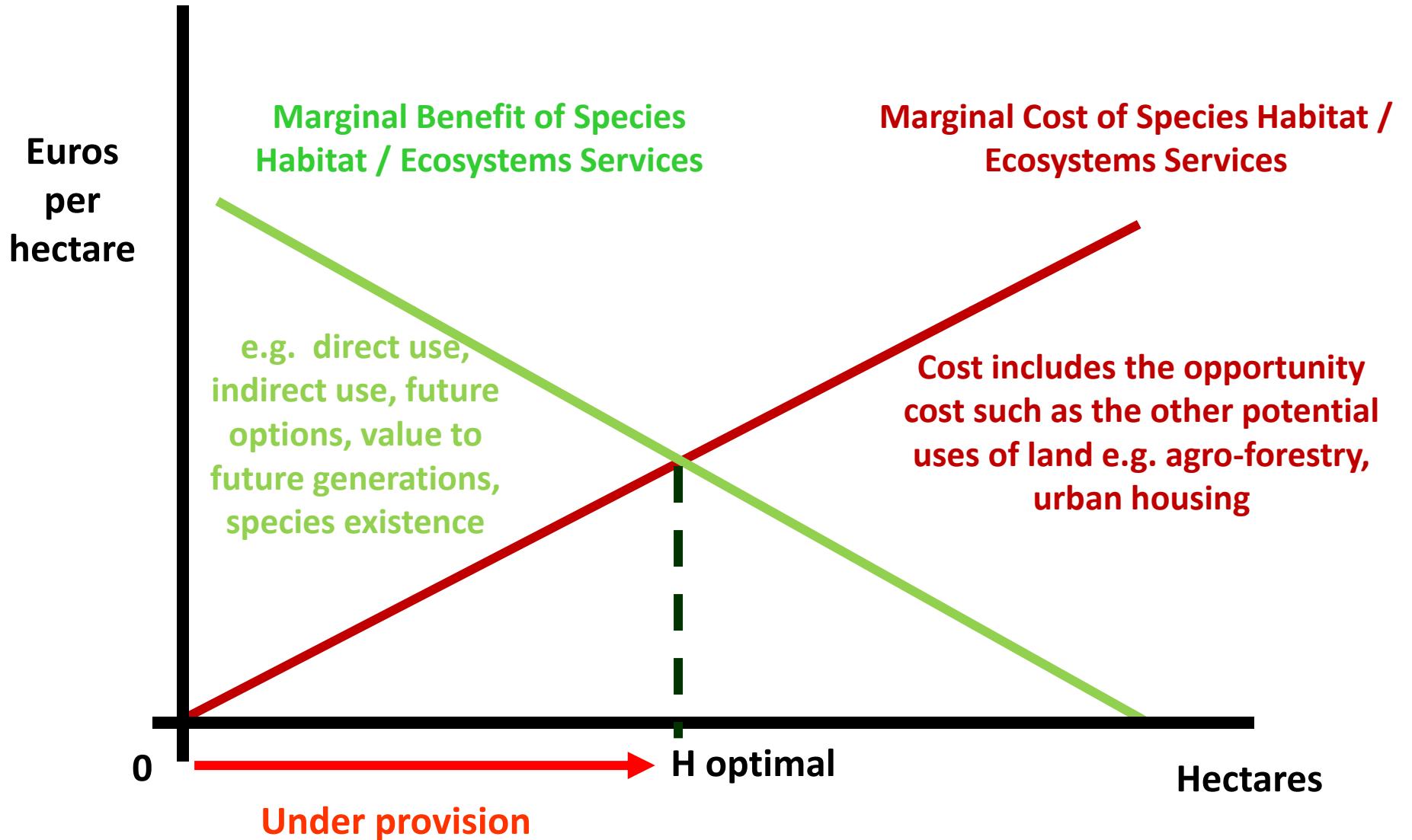


Politicians fail to take into account the ‘right’ values

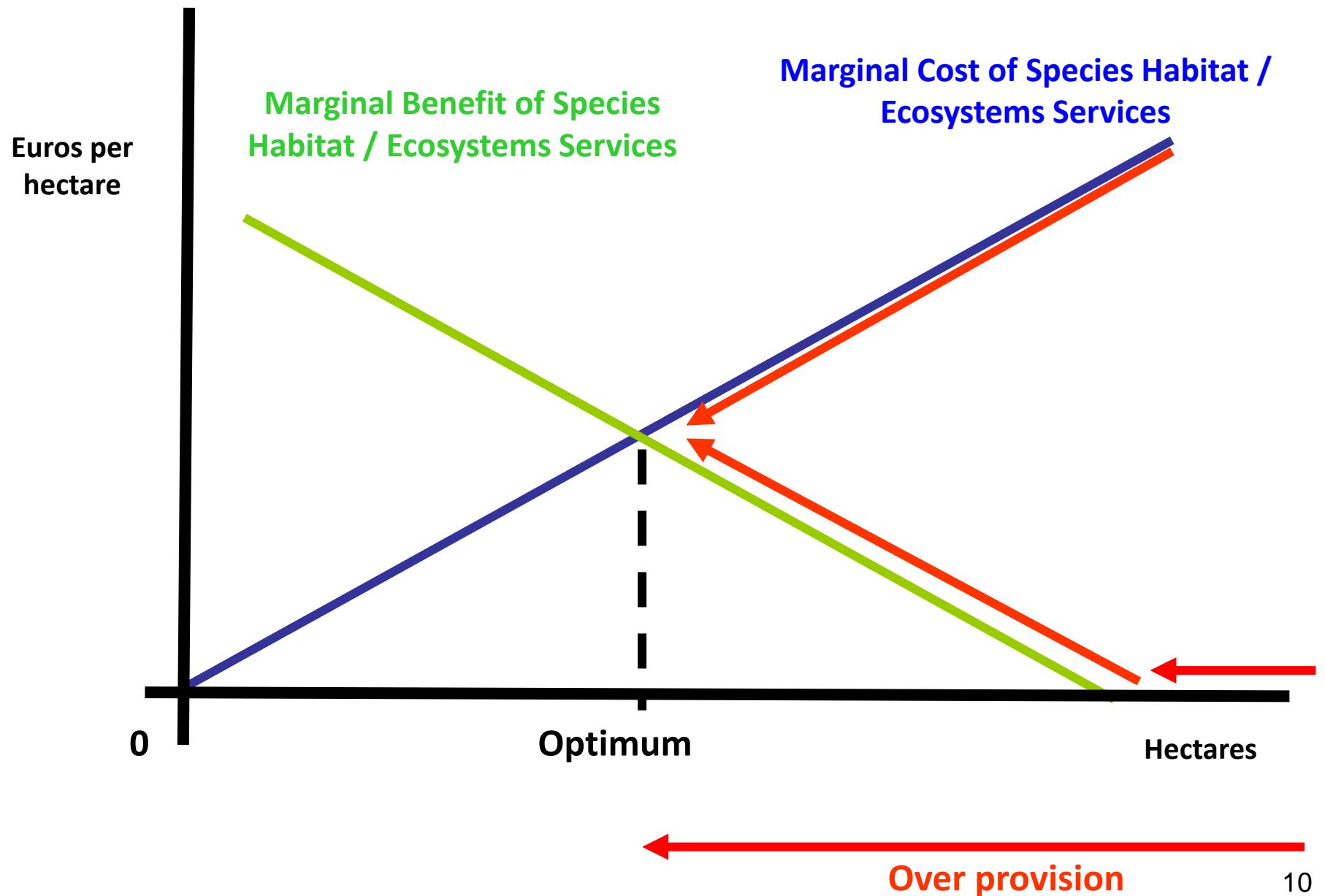
“**Ignoring** or undervaluing natural **capital** in economic forecasting, modelling and assessment can lead to public policy and government investment decisions that exacerbate the degradation” (TEEB 2010 p.10)

BASIC MAINSTREAM ECONOMIC THEORY

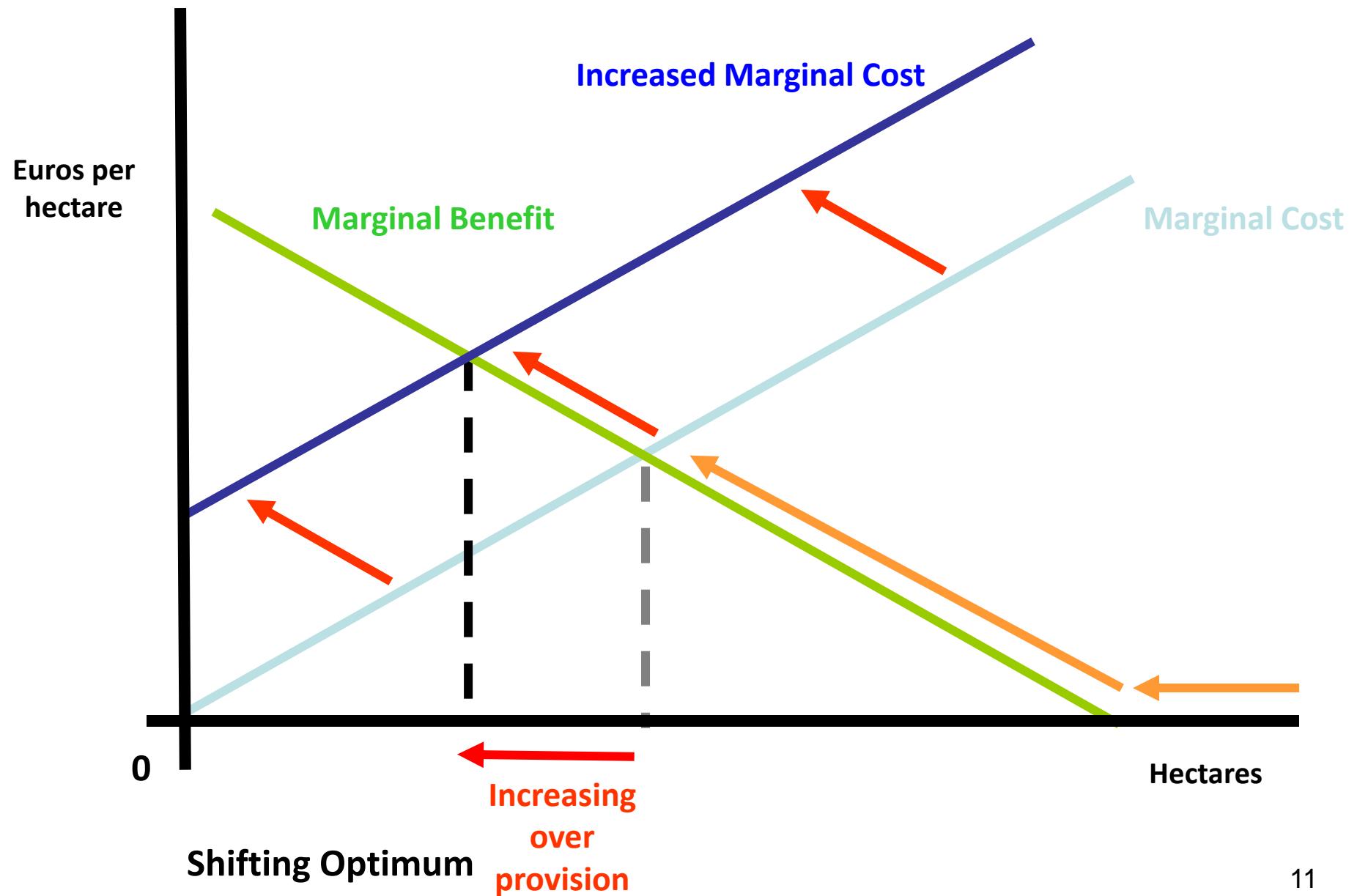
Efficient Resource Allocation: A Pro-Environment Position



Alternative Viewpoint: Optimal Extinction



Developers Alternative: Accelerating Extinction



CREATING ENVIRONMENTAL VALUES

Making Ecosystems into Commodities

Ecosystems Objects

- **services**
 - e.g. food provision, climate regulation, aesthetics and their attributes
 - e.g. security, feeling well, social cohesion
- **comprehensive classification system:**
Millennium Ecosystem Assessment
- “**classification is inherently somewhat arbitrary”**
(Brauman et al., 2007: 69)

Service category ‘culture’

sub-categories: spiritual, religious and aesthetic

Stages of Commodification and Exchange

0		None	
1		Objectify	
2		Instrumentalise	
3		Value as a physical metric	<i>Commensuration</i>
4	Stage I Commodity	Exchange in physical metric terms	<i>Non-monetary compensation; French biodiversity offset scheme</i>
5		Value as money	<i>Preference utilitarianism</i>
6	Stage II Commodity	Exchange in monetary terms	<i>Government subsidy; monetary compensation; PES</i>
7		Privatise property rights over objects	
8	Stage III Commodity	Exchange in a market	
9		Financialise (beyond commodities)	<i>Derivatives markets</i>

What is Required to Show Nature has a Money Value?

Make Nature a human artefact

Objectification

Commodification

Evaluate Stated Preferences

Contingent Valuation

Choice Experiments

Transfer Values as Necessary

Where numbers are lacking be pragmatic

Seek alternatives

**Characterisation of ecosystems & biodiversity
as “objects” with “money values”**



Economic Logic: Resources go to those Who Pay the Most

Private Property Rights

Land grabs by the rich and powerful

Poor and Compensation

Indigenous peoples and rural farmers are disenfranchised and made homeless

The poor sell cheaply

Rich or Poor

If they don't care to pay then loss of Nature doesn't matter, there is no value



People's Preferences

Public perception of important attributes



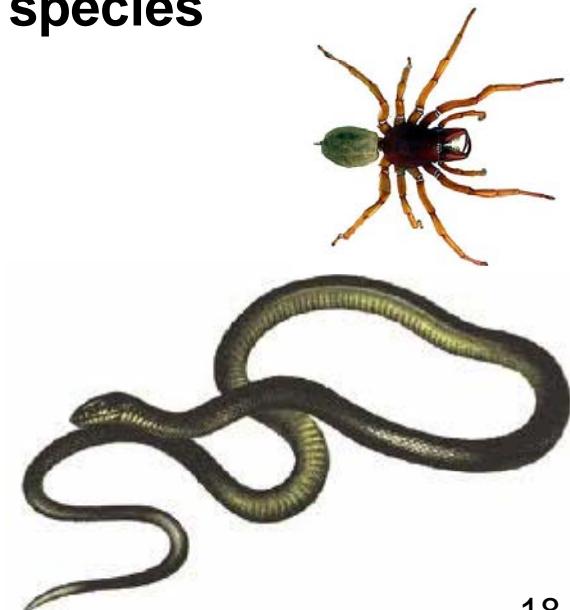
Key iconic species

Powerful
or
Warm & Fuzzy

Human Like



Informing and Forming Preferences





Implicit Model of Human Motivation

Motivation and Psychology

**Self-preoccupied and self-centred modern individual
pay or be paid**

“I do not agree that more progress will be made by appealing to people’s hearts rather than their wallets”

(Costanza, 2006: 749)

Psychological egoism

“the claim that people are incapable of regarding as important anything other than their own interests”

(Holland, 1995: 30)



Misconceptualising Values

Markets and exchange value

1. Can lead to crowding-out of intrinsic motivation
desired behaviour
2. Fails to recognise harm does not equate to good
3. Can be transformative and/or destructive of value
 - e.g. Buying friends
 - e.g. Love vs. paying for sex



Getting What is Valued Wrong: De Dicto & De Re

Zsa Zsa Gabor when asked what was her greatest achievement

Gabor: I've found a way to keep my husband young and healthy

Reporter: Wow that's fantastic, how do you do it?

Gabor: I get a new one every 5 years

(she has had 9 husbands)

Prof. John O'Neill uses this story to illustrate the difference between values concerned with

the particular (**de re**) as opposed to values relating to a general function (**de dicto**)

To be motivated by a de dicto concern in the above context is characteristic of someone who is *alienated from people*.

Environmental Example

Having a sense of place is not a value related to any place

De Dicto Concerns and End-state Valuation

We normally have **de dicto concerns** about **fungible commodities** to which we have no distinctive historical or emotional ties: money, tools, and so on.

In a purely **de dicto evaluation of biodiversity** constituents are not valued as particular objects, but for those properties they possess that enable them to deliver relevant services

An end-state view of the value of nonhuman nature **what matters is only the state of the biodiversity or ecosystem insofar as it affects the delivery of ecosystem services**. If two constituents of biodiversity or two ecosystems are in the same state and therefore are able to deliver a service as effectively as one another, then their value is equivalent.”

Implicit De Dicto Concerns and End-state Values in the ‘New’ Conservation Science

“In many circumstances, the demise of formerly abundant species can be inconsequential to ecosystem function. The American chestnut, once a dominant tree in eastern North America, has been extinguished by a foreign disease, yet the forest ecosystem is surprisingly unaffected. The passenger pigeon, once so abundant that its flocks darkened the sky, went extinct, along with countless other species from the Steller’s sea cow to the dodo, with no catastrophic or even measurable effects.”

Kareiva, P., Marvier, M., Lalasz, R., 2012. Conservation in the Anthropocene: Beyond Solitude and Fragility. The Breakthrough Institute, Oakland.

‘New’ Conservation: Old Political Ideology

The Nature Conservancy (TNC)

Mark Tercek, heads TNC

“The key idea is to create tools that can assign monetary value to natural resources. Tercek, a former partner at Goldman Sachs, thinks that environmental organizations rely on fuzzy science and fail to harness the power of markets. With the help of **sound metrics drawn from the world of finance**—"a higher level of accountability", in his words—some of the ecological harm caused by the very same corporations can be undone. Nudging big business in a green direction, he believes, can do far more good than simply cordoning off parcels of Paradise.”

“The assumption is that if you want companies to care about nature you must put a price tag on it. Otherwise, as one Nature Conservancy economist told me, ‘it implicitly gets a value of zero.’”

Max, D.T., 2014. Green is good, *The New Yorker*, pp. 54-63.

“conservationists should partner with corporations in a science-based effort to integrate the value of nature's benefits into their operations and cultures”

Kareiva, P., Marvier, M., Lalasz, R., 2012. Conservation in the Anthropocene: Beyond Solitude and Fragility. The Breakthrough Institute, Oakland.

We must put a price on nature if we are going to save it

Campaigning against economic valuations could inadvertently strengthen the hand of those who believe nature has little or no worth



Tony Juniper

theguardian.com, Friday 10 August 2012 12.13 BST

theguardian



Putting an economic value on nature will help protect it. Photograph: Sang Tan/AP

Flaws in the Argument

"By appreciating that **nature is vital for economics**, and has measurable tangible financial values, it is possible to get the attention of people who have at best hitherto regarded nature a supplier of resources, or worse still an economically costly distraction that gets in the way of economic 'growth'. Making the moral case in the face of such beliefs won't work. If, on the other hand, such scepticism can be met with economically compelling logic, then we might get a bit further."

Biophysical Structured Reality

Nature is essential for the economy BUT the economy is not required by Nature → incorrect response is to embed ecology within the economy and its discourse

Flaws in the Argument

"By appreciating that **nature** is vital for economics, and **has measurable tangible financial values**, it is possible to get the attention of people who have at best hitherto regarded nature a supplier of resources, or worse still an economically costly distraction that gets in the way of economic 'growth'. Making the moral case in the face of such beliefs won't work. If, on the other hand, such scepticism can be met with economically compelling logic, then we might get a bit further."

- Biophysical Structured Reality [misinterpreted]

Value Theory

Nature is used by financiers to make money BUT what has this to do with how humans value Nature or the role and meaning of Nature?

Flaws in the Argument

“By appreciating that nature is vital for **economics, and** has measurable tangible **financial values**, it is possible to **get the attention of people** who have at best hitherto regarded nature a supplier of resources, or worse still an economically costly distraction that gets in the way of economic 'growth'. Making the moral case in the face of such beliefs won't work. If, on the other hand, such scepticism can be met with economically compelling logic, then we might get a bit further.”

- Biophysical Structured Reality [misinterpreted]
- Value Theory [missing]

Political Theory

People obsessed by economics and finance are the ones in control to whom conservationists must appeal → what theory of power underlies this appeal to an elite? → is this in line with democracy or justice?

Flaws in the Argument

“By appreciating that nature is vital for economics, and has measurable tangible financial values, it is possible to get the attention of people who have at best hitherto regarded **nature** a supplier of resources, or worse still an economically costly distraction that **gets in the way of economic growth**. Making the moral case in the face of such beliefs won't work. If, on the other hand, such scepticism can be met with economically compelling logic, then we might get a bit further.”

- Biophysical Structured Reality [misinterpreted]
- Value Theory [missing]
- Political Theory [missing]

The Growth Imperative

Economic growth is taken to be the central and unquestionable goal of human society → the fallacy and utopianism of growth goes without analysis

Flaws in the Argument

“By appreciating that nature is vital for economics, and has measurable tangible financial values, it is possible to get the attention of people who have at best hitherto regarded nature a supplier of resources, or worse still an economically costly distraction that gets in the way of economic 'growth'. Making **the moral case** in the face of such beliefs **won't work**. If, on the other hand, such scepticism can be met with **economically compelling logic**, then we **might get a bit further**.”

- Biophysical Structured Reality [misinterpreted]
- Value Theory [missing]
- Political Theory [missing]
- Growth Imperative [unquestioned]

Ethics and Philosophy of Science

Economics offers a “compelling logic” that is divorced from “the moral case” → fails to understand the basis of economics in utilitarianism → denies ethics are relevant to economics

Flaws in the Argument

"By appreciating that nature is vital for economics, and has measurable tangible financial values, it is possible to get the attention of people who have at best hitherto regarded nature a supplier of resources, or worse still an economically costly distraction that gets in the way of economic 'growth'. Making **the moral case** in the face of such beliefs **won't work**. If, on the other hand, such scepticism can be met with **economically compelling logic**, then we **might get a bit further**."

- Biophysical Structured Reality [misinterpreted]
- Value Theory [missing]
- Political Theory [missing]
- Growth Imperative [unquestioned]
- Ethical Theory [misleading]

A Political Ideology Pretending to be Conservation as Science

Juniper worries about

“harming **competitiveness**, damaging **growth industries**, driving away **investment** and leaving the UK behind in the global race to lead in **modern technologies**”

He wants to:

“**re-frame environmental programmes** for what they are, and increasingly can and should be: namely **pro-competitive, pro-people, pro-security and pro-cost-saving.**”

This he believes requires:

“**embracing businesses, scientists, politicians** from across the spectrum (but **especially Conservatives**), social groups, non-governmental organisations and think tanks among them”

Implicit Theory of Political Economy:

An elite run society on the basis of finance and economic growth. The capital accumulating system cannot be questioned; everything else should conform.

Business First, Conservation May Be?

'Tercek clearly knew how to win over the people at Dow [Chemical]. At one point, he told them, "The old model would be 'We're doing it for conservation's sake.' The new approach would be 'No, no, **we're doing this for business' sake**, and we get the conservation, too.'"

"Yet there's something dubious about trusting the main forces behind ecological ruin to reverse it. Dow and Coca-Cola and Rio Tinto, to name three Nature Conservancy partners, are motivated not by public spirit but by a survival instinct. If business goals overlap with ecological impulses, so much the better, but if they don't, most companies will continue on a polluting path. This leaves little room for conservationists to operate."

Max, D.T., 2014. Green is good, *The New Yorker*, pp. 54-63.

Economic Ornithology: A Lesson from History

Valuing Nature as a productive employee, a factor input, such as wild insect pollinators valued at €150 billion (Gallai et al. 2009)

Over 40 yrs from 1880-1920 over 1000 studies calculated the monetary value of services provided by birds

Their services were replaced by technology, namely insecticides and pesticides, that also helped remove them and the need for economic ornithology

- ❖ **Valuing a species as service provider is not the same as valuing a species**
- ❖ **Economic values do not guarantee conservation of anything**

Environment, People and Economic Growth

Economic Development and Human Displacement

“Cernea (2000: 6) estimates the total number of people displaced as a result of development-related projects **between 1980 and 2000 to be close to 200 million.**”

Displacement for ‘development’ was running at **10 million people a year** [prior to China’s urbanisation and growth drive].

“... the **violence that development projects inflict** upon people continues to be **stunningly commonplace** (Morvaridi 2004).”

Agrawala, A., Redford, K., 2009. Conservation and Displacement: An Overview. *Conservation & Society* 7, 1-10.

The **liberalisation of the Indian economy** since the early 1990s has arguably ushered in a new phase of conflict over land acquisition, where land is increasingly being acquired for **private investors seeking to develop, for example, mining projects and Special Economic Zones (SEZ)**

Nielsen, K.B., Nilsen, A.G., 2015. Law Struggles and Hegemonic Processes in Neoliberal India: Gramscian Reflections on Land Acquisition Legislation. *Globalizations* 12, 203-216.

In **China** the largest peacetime population transfers in history: the **removal of 2.4 million farmers from mountain areas** in the central Chinese province of Shaanxi to low-lying towns, many built from scratch on other farmers’ land. The total cost is estimated at \$200 billion over 10 years.

Recognising Corporate Power BUT Making it seems Natural

“kids [in the USA?] recognize hundreds of corporate logos but fewer than 10 native plant species”

“A small number of global corporations have a huge impact on land conversion, mining, energy extraction, and consumer choices. In essence, **corporations are the “keystone species” of global ecosystems.**”

Kareiva, P., Marvier, M., 2012. What is conservation science? BioScience 62, 962-969

Challenging powerful vested interests and how they would like us to see the world

- **Exposing the failure of materialism** to provide a meaningful life undercuts the core of modern political economy from American neoliberalism to Chinese central planning
- **Scientific evidence for human impacts** on the environment criticises powerful vested interests today (e.g. action on climate change threatens fossil fuel multinationals, car and plane industries)
- **Revealing the political and economic exploitation** of people and nations challenges those countries and corporations built on exploitation of the weak



How corporations can defeat public interest activists by Ronald A. Duchin, senior vice president MBD

PR/public affairs firm of Mongoven, Biscoe and Duchin (MBD)

PR Watch expose 1993

MBD boasts that it “maintains extensive files on organizations and their leadership.”

NGOs are classified as:

**radicals,
opportunists,
idealists, and
pragmatists (or realists)**

The Divide and Conquer Strategy

1. Isolate the Radicals

2. Buy-off the Opportunists (e.g. jobs, publicity, token projects)

"The key to dealing with opportunists is to provide them with at least the perception of a partial victory"

3. "Cultivate" the Idealists (e.g. church groups) and "educate" them into becoming pragmatic.

"Because of their altruism, the idealists are hard to deal with."

Exploit their sense of justice to show the injustice of harming corporations and their employees.

4. Co-opt the pragmatists into working with industry & corporate interests

They possess the following key qualities:

- look beyond the issue at hand;
- understand the consequences;
- live with trade-offs;
- willing work within the system
- not immersed in radical change;
- pragmatic

BP's Chart on Dealing with NGOs over an oil pipeline

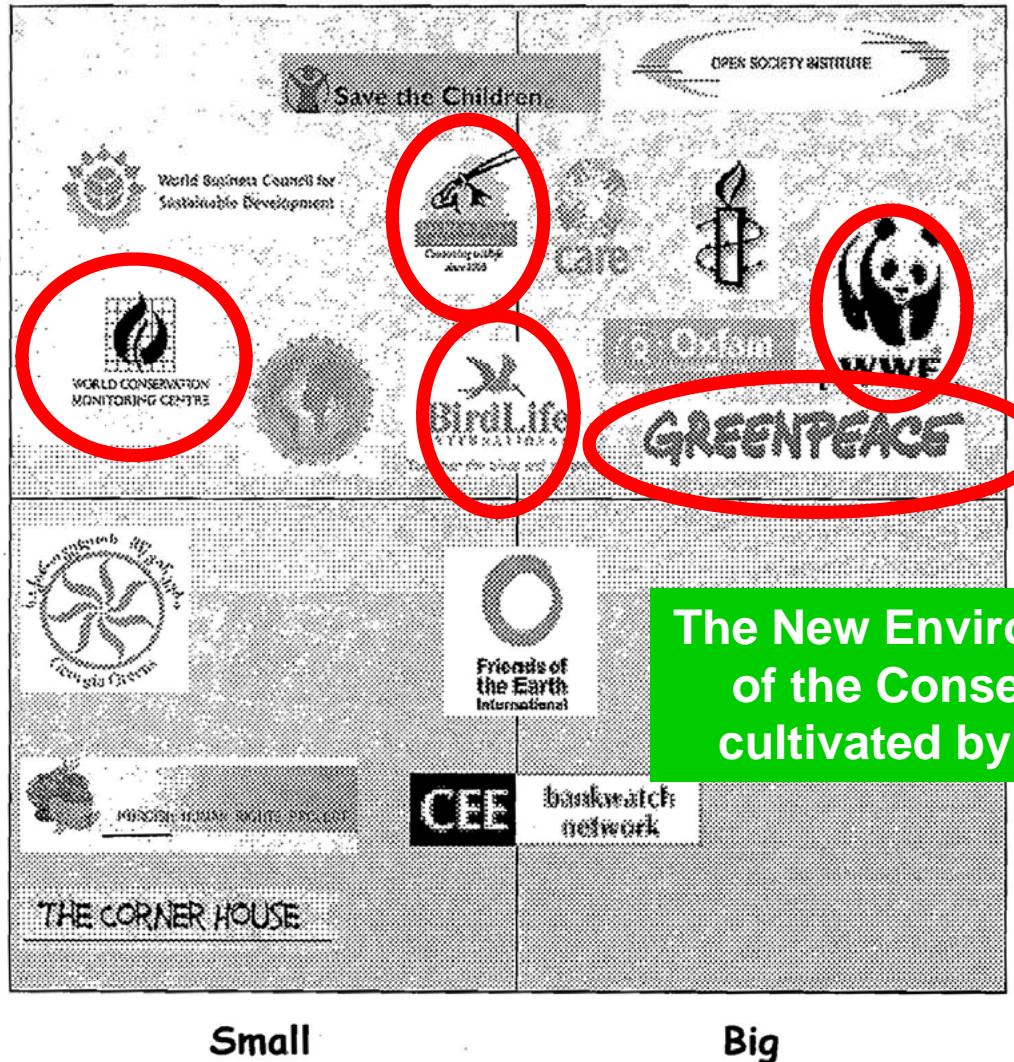
Global NGO Framework

Influencers

Georgian
Greens

Polarizers

Kurdish



Engage in logical manner as part of Licence to Operate at BU level (e.g. Public Consultation and Disclosure) and continue routine Reputation Process at Corporate Level.

Programme is 'Project Driven' by us

Engage on key issues;

Social - Oxfam etc
Revenue management - Soros etc
Environmental - WWF, Birdlife etc
Human rights - Amnesty
Shock tactics - Greenpeace

No need to engage actively; this would be counterproductive to all

IFIs
by
campaign to politicians and IFI boards

Operate as 'cells' with small representation in each country.

Programme is 'Event Driven' by them i.e. meetings like; J'berg, WTO, IMF etc

released by the US Department of Energy in response to a Freedom of Information by a US NGO called the National Security Archive. It is described by DoE as "Environmental and Social Impact Assessment-program",¹²

A Failing Alternative Agenda

New Environmental Pragmatists are ready to accept

the need for capital accumulation and increasing material & energy throughput, if only for the poorest (i.e. 80% of the world population).

the commodity form. Everything must be made into capital, goods and services to be given a place in the system. Everything must be given an 'economic' value.

the volitional power of the individual in the market place. A liberal market democracy.

defensive initiatives to resist the latest advance of privatization and liberalization. A marginalized role in society.

single issue non-governmental forms of politics and local democracy without connection to the broader structural issues and the need for comprehensive change in society.

The Spectre of a Return to Technocracy

An elite of scientists and engineers running a modern world based on industrial high technology.

H. G. Wells, Julian Huxley

Wells, H.G., Huxley, J.S., Wells, G.P., 1931. *The Science of Life: 3 Volumes*. Doubleday, Doran & Company Inc., Garden City, New York.

Wells, H.G. (1928) *The Open Conspiracy: Blue Prints for a World Revolution*.

Wells, H.G. (1940) *The New World Order*.

Aldous Huxley

Huxley, A., 1932. *Brave New World*. Catto & Windus, London.

CONCLUSIONS

Misguided grounds for debate

The rhetoric of an orthodox economic model embedded in neoliberal politics

Changes the discourse for species and ecosystem preservation and conservation into a debate over trade-offs, prices and money

Wrong ‘solution’ to wrong problem

Economic valuation does not address the drivers of environmental degradation and does not offer protection

Removes attention from value pluralism, incommensurability and non-market institutions

Some Real Issues

Population consumption patterns,
Land use change,
Development model as economic growth,
Political process,
Corporate power,
Financial greed,
Resource extractivism and the fossil fuel economy,
Militarism

Institutions are needed in which ethical and other deeply felt concerns can be properly voiced.

Conservation, Society and Economy

Conservation is linked to social and economic factors BUT that means being aware of economic and social research and ideas NOT adopting an elitist power theory and reinforcing any institutions that appear useful

Neoliberalism, multi-national corporations and the institutions of social and ecological exploitation are not natural bed fellows for those concerned about social and ecological exploitation

Technocracy is not a new idea and has proven highly dangerous as a political philosophy

Conservation is already lost when it enters the world of corporate finance, banking, economic trade-offs and the commensuration of all values

Contrasting World Views

Social Ecological Economics

Environmental degradation

Poverty

Inequity and injustice

A worthwhile life

Human moral progress

Needs

Appropriate technology

Economic Orthodoxy

Resource use

Income distribution

Competition

Maximum utility

Material consumption

Wants

Industrial technology

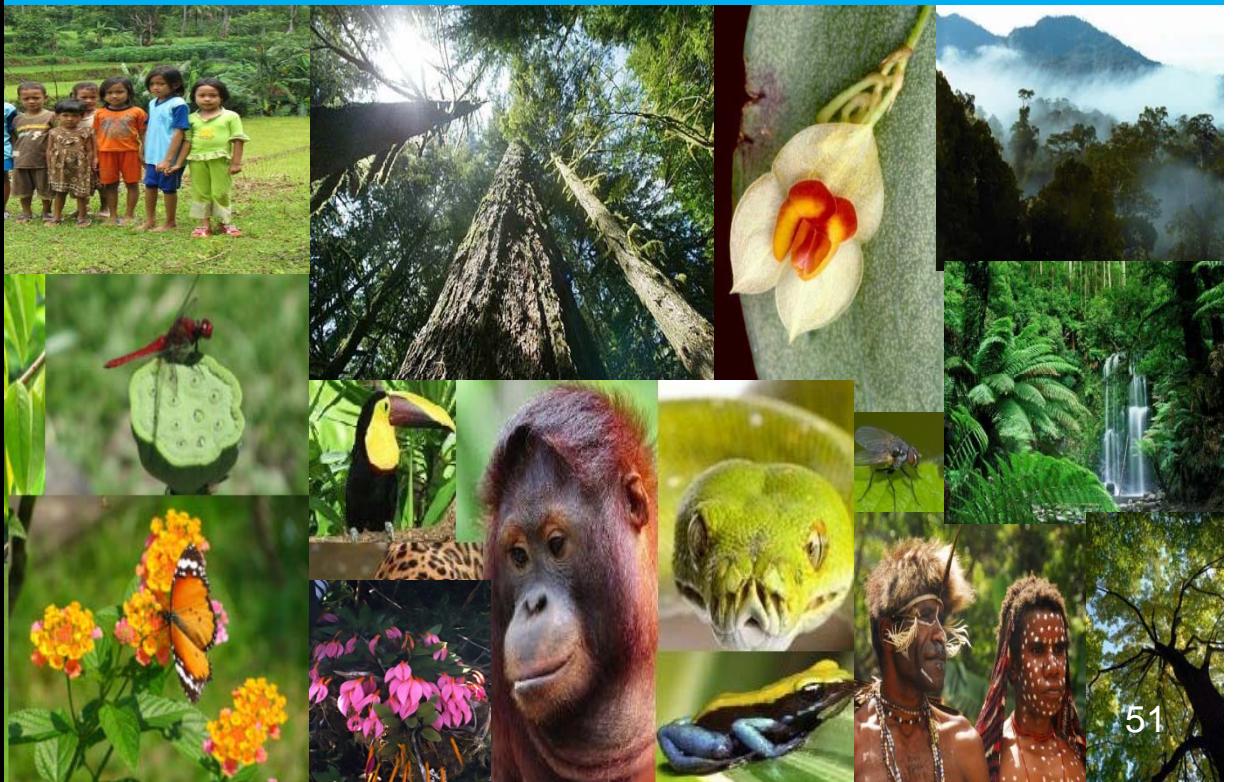
Reconceptualising the Issues

The way in which issues are framed and conceptualised
is highly important

**Make no mistake
conservation is a fight for
values in a contested world.**

**What values do you want to
dominate the future?**

THANK YOU
THE END



The End!

THANK YOU

MERCI BEAUCOUP

DANKE SCHÖN

For more information

www.clivesplash.org